This brief reviews the key findings of the 1998 national survey conducted by the American Association of Community Colleges to examine the effect of welfare reform on community colleges, and compares them with a similar survey from fall 1997. It includes some background information on welfare policy, a profile of the welfare population served by community colleges, and examples of how community colleges have responded to the needs of the welfare population through welfare-to-work programs. A key finding is that 53.3% of responding community colleges have a state-funded welfare-to-work program, with an average 2.5% of their students enrolled in such programs. Since welfare reform took effect, more than 42% of community colleges have seen an increase in the number of students enrolled in welfare-to-work programs. Nearly 5% of students enrolled in credit and noncredit programs at community colleges receive welfare cash payments. Fifty-six percent of courses offered are credit courses; forty-four percent are noncredit courses. More than half of responding community colleges indicated they have a one-stop career center. Nearly 64% of welfare recipients enrolled lacked basic literary and numeric skills, and 63% lacked personal management skills. About 44% of community colleges cited job-readiness instruction as the most common type of activity for their welfare-to-work populations. Welfare-to-work programs primarily emphasize entry-level training, adult and remedial education, and basic technical training. (Contains 14 references and suggested readings.) (VWC)
EXECUTIVE SUMMARY

In February 1998, the American Association of Community Colleges (AACC) conducted a national survey to examine the effect of welfare reform on community colleges. This research brief reviews the key findings of the 1998 survey and compares them with a similar survey of fall 1997. The brief also includes some background information on welfare policy, a profile of the welfare population served by community colleges, and examples of how community colleges have responded to the needs of the welfare population through welfare-to-work programs.

Some key findings of the 1998 survey:

- 53.3 percent of responding community colleges have a state-funded welfare-to-work program, with an average 2.5 percent of their students enrolled in such programs.

- Since welfare reform took effect, more than 42 percent of community colleges have seen an increase in the number of students enrolled in welfare-to-work programs; 21 percent of survey respondents reported a decline in welfare-to-work enrollment.

- Nearly 5 percent of students enrolled in credit and noncredit programs at community colleges receive welfare cash payments.

- 56 percent of courses offered at community colleges for welfare-to-work participants are credit courses; 44 percent are noncredit courses.

- More than half of responding community colleges indicated they have a one-stop career center. Of these colleges, 93.7 percent provide job-placement assistance, 60.8 percent offer childcare services, and 46.6 percent arrange transportation for their welfare population.

- According to survey responses, 63.9 percent of welfare recipients enrolled in community colleges lack basic literacy and numeric skills and 63 percent lack personal management skills, greatly hindering their ability to find and maintain employment.

- Approximately 44 percent of community colleges cited job-readiness instruction as the most common type of activity for their welfare-to-work populations.

- Welfare-to-work programs at community colleges primarily emphasize entry-level training (69.6 percent of responses), adult education and remedial education (53.3 percent), and basic technical training (47.6 percent).
INTRODUCTION

Before 1996, students at postsecondary institutions could receive federal public assistance for as long as they remained enrolled. However, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) fundamentally altered this arrangement. The 1996 changes to federal welfare policy have led to a restructuring of the financial and management functions of state welfare and welfare-related programs. Consequently, community colleges have faced significant changes to the way they receive state and local welfare monies and conduct basic education and job-training programs.

The overarching purpose of the law is to move welfare recipients from public assistance into work activities. The federal legislation gives states considerable flexibility in defining what specific types of activities count as work. For example, 15 states have adopted policies to ease the work requirements for welfare recipients desiring to attend a postsecondary institution, and four states have laws to encourage welfare recipients to go to college or complete a degree program (Schmidt 1998). A few states have chosen to impose tighter restrictions on the length of time a welfare recipient may receive postsecondary education and training. Community colleges in Massachusetts must now struggle to provide training and job preparation for their welfare enrollment in light of stringent state limits that require these students to be engaged in work activities after two months.

The legislation also has given states some flexibility in changing the length of time a person may receive cash assistance. The provisions of the law have placed a five-year lifetime limit on the length of time a person may receive public assistance, and no one may receive cash public assistance (in this case Temporary Assistance for Needy Families or TANF) for more than two consecutive years.

In some states, community colleges are being pressured to tailor welfare-to-work programs to meet the various learning disabilities and occupational-training inadequacies of welfare populations. Some states have developed workforce-development strategies that integrate cash grants and job-assistance services with other social services such as childcare, transportation assistance, and personal assessment.

According to the National Longitudinal Study for Youth, 63 percent of long-term welfare recipients lack a high school diploma. The National Adult Literacy Survey revealed that 45 percent of all adults receiving public assistance have less than a high school education, while fewer than 20 percent have completed some level of postsecondary education. A national profile of welfare recipients conducted by The Urban Institute (Orr et al. 1996) shows similar findings. The findings from all of these studies strongly imply that education (or lack thereof) remains one of the most predictive characteristics of welfare dependency.

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1 Allowable work activities include unsubsidized employment; subsidized private employment; subsidized public employment; work experience; on-the-job training; job search; and job readiness for up to 6 weeks; community service; vocational education for a maximum of 12 months; provision of childcare to TANF recipients; job-skills training; education directly related to employment; and high school education or its equivalent.

2 The 15 states are California, Colorado, Florida, Georgia, Hawaii, Illinois, Nebraska, New Mexico, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Virginia, and Wisconsin. The four states are Iowa, Massachusetts, Michigan, and South Dakota.
DESCRIPTION OF SAMPLE

The 1998 AACC survey was mailed to 1,123 public and independent community colleges, including two-year branch campuses of four-year institutions and district offices of community college districts. Nearly 400 community colleges responded to the survey, which represents a 35.1 percent response rate. A similar response rate was achieved with the 1997 survey.

More than 66 percent of the responding colleges enroll fewer than 2,500 students total. About 14 percent enroll between 5,000 and 7,500 students. About 10 percent had approximately 2,500 students, and 10 percent had more than 7,500 students. Colleges in large urban areas made up 38 percent of the respondents; colleges in rural areas made up 32 percent of the respondents. The responding colleges were fairly evenly spread geographically, with two exceptions. Thirty-two percent of responding colleges are located in the Southeast; 9 percent are located in the Southwest. The remaining regions were each represented by between 14 and 16 percent of respondents.

WELFARE POPULATIONS AT COMMUNITY COLLEGES

Responses from the AACC survey indicated that approximately 5 percent of students currently enrolled at community colleges receive federal cash public assistance, up from 1.7 percent in 1997. Community colleges that have fewer than 2,500 students and are located in suburban areas have higher-than-average percentages of welfare recipients (6.1 percent and 5.3 percent, respectively) enrolled at their institutions. In addition, community colleges located in the Southwest reported the highest percentage (9 percent) of welfare recipients enrolled, while colleges in the Southeast had the highest percentage of welfare-to-work participants (3.1 percent). These two regions are noteworthy because from January 1997 to June 1998 they have experienced the greatest declines in welfare caseload, nearly 40 percent and 38 percent respectively (Department of Health and Human Services 1998). Table 1 compares the percentage of welfare recipients enrolled at community colleges by enrollment size and location. Table 2 shows welfare and welfare-to-work populations at community colleges, and table 3 shows changes in overall welfare caseloads by region.

Table 1 - Comparison Among Community Colleges Who Can Identify Students on Public Assistance

<table>
<thead>
<tr>
<th>Enrollment</th>
<th>% Welfare Recipients</th>
<th>% Welfare-to-Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer than 2,500 students</td>
<td>6.1%</td>
<td>3.5%</td>
</tr>
<tr>
<td>2,500 to 5,000 students</td>
<td>2.8%</td>
<td>2.1%</td>
</tr>
<tr>
<td>5,000 to 7,500 students</td>
<td>5.7%</td>
<td>2.2%</td>
</tr>
<tr>
<td>More than 7,500 students</td>
<td>3.8%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Location</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>4.7%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Nonurban</td>
<td>5.3%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Rural</td>
<td>4.4%</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

3 Students on cash public assistance include all those receiving Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF) cash assistance.

4 Enrollment figures are from the fall semester of the 1996-97 academic year. This is the most recent year reported by the U.S. Department of Education.
The number of welfare recipients attending community colleges, however, may be underreported. Student confidentiality and the lack of a state welfare-reporting requirement were frequently mentioned by survey respondents as reasons their institution does not or cannot identify welfare recipients. Yet there are numerous benefits to reporting the data. Institutions that can identify their welfare populations are better able to change or adjust their programs to meet these students’ needs, and better able to document their educational and training performance.

Some states cross-match student record data with unemployment insurance (UI) records to determine a welfare recipient’s wage and duration of employment after he or she completes the program and is hired. Using UI data also has institutional planning and accountability benefits.5

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5 Some of the states currently using UI wage record data are California, Florida, North Carolina, Texas, and Washington. For a more detailed description of using UI wage data to track post-college placement and earnings, see suggested readings Friedlander 1993; Froeschle 1991; Pfeiffer 1990; Seppanen 1994; and Stevens, Richmond, Haenn, and Michie 1992.
Changes in Enrollment
More than 21 percent of survey respondents reported a decline in their welfare-to-work program enrollment since PRWORA was enacted. On the other hand, 42.3 percent reported an increase. The remaining colleges reported no change in enrollment since PRWGRA was enacted. This finding differs from other recent reports indicating a decline in the number of community college students on welfare. A precise explanation for such enrollment changes, however, cannot be inferred from the survey instrument.

A possible explanation for enrollment declines in welfare-to-work programs may depend on the colleges’ locations. A majority of the established welfare-to-work programs are located in urban areas that, over the past few years, have seen collegewide enrollment declines anyway. It is unclear whether declines in welfare-to-work programs are the result of welfare policy or simply part of an overall trend.

Federal Welfare Strategies
One of the strategies used by community colleges to train welfare recipients for work has been to place them in federally funded Job Training and Partnership Act (JTPA) programs. Eighty percent of responding community colleges reported having JTPA programs. The National Center for Education Statistics (NCES) also reported the figure as 78.9 percent for the 1996–1997 academic year.

A typical JTPA program offers very short-term training that usually focuses on basic literacy and job-search skills. The design makes JTPA programs a favorite of states with restrictive time limits or a quick employment approach. Yet a national survey on the wage gains of welfare recipients who complete JTPA programs found no significant increase in earnings (Orr et al. 1996). Strawn (1998) proposes a more balanced mix of basic education skills building and long-term employment skills training, which she argues would lead to greater economic gains for welfare recipients. JTPA has been repealed by the Workforce Investment Act (WIA), which will be fully implemented by July 1, 2000.

State Welfare Strategies
In addition to JTPA, nearly all states provide workforce training for welfare populations through a variety of welfare-to-work programs. According to the 1997 survey, 47.9 percent of community colleges indicated that their institution has a welfare-to-work program. Responses from the 1998 survey showed a 6 percentage point increase, to 53.8 percent, of two-year institutions with such programs. Table 4 compares the characteristics of community colleges that participate in a welfare-to-work program.

<table>
<thead>
<tr>
<th>Enrollment</th>
<th>Have a Welfare-to-Work Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer than 2,500 students</td>
<td>43.5%</td>
</tr>
<tr>
<td>2,500 to 5,000 students</td>
<td>44.1%</td>
</tr>
<tr>
<td>5,000 to 7,500 students</td>
<td>67.3%</td>
</tr>
<tr>
<td>More than 7,500 students</td>
<td>70.0%</td>
</tr>
<tr>
<td>Location</td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>61.2%</td>
</tr>
<tr>
<td>Nonurban</td>
<td>53.8%</td>
</tr>
<tr>
<td>Rural</td>
<td>44.0%</td>
</tr>
</tbody>
</table>

Of the community colleges with a welfare-to-work program in 1997, 1.7 percent of the student population were reported participating in a welfare-to-work program. A year later, an average of 2.5 percent of the students at community colleges were reported participating in a welfare-to-work program. Again this figure may be an underestimate due to concerns for student confidentiality and to the lack of state reporting requirements. Twelve percent of respondents to the 1998 survey indicated they have an institution-funded welfare-to-work program. The states in which institution-funded programs at community colleges are most prevalent are Washington, California, Wisconsin, and Ohio.

**Welfare-to-Work Programs**

There are two primary schools of thought regarding the appropriate role of education and training for welfare populations. The first is the "human capital" approach, which emphasizes education and training to prepare welfare recipients for work. The second is the "work first" approach, which stresses job placement and does not encourage welfare recipients to participate in education and training activities. PRWORA adopted the "work first" approach and requires increasing proportions of a state's welfare caseload to participate in work activities rather than receive education or job-skills training. This "work first" approach has presented community colleges with a number of challenges.

**Emphasis of Welfare-to-Work Program**

A typical welfare recipient enrolled at a higher education institution has one or more deficiencies in certain fundamental academic skills that hinder him or her from obtaining, and sustaining, employment. According to The Educational Resources Institute (1997), many welfare recipients require substantial academic preparation to succeed in higher education.

Recognizing that 45 percent of welfare recipients do not have a high school diploma or general equivalency diploma, community colleges have placed a great emphasis on basic education skills in their welfare-to-work programs. The most common basic education skills identified by community colleges as lacking in welfare-to-work participants are literacy and numeric skills. Sixty-four percent of community colleges identified these skills as most needed in their welfare-to-work population. In addition to literacy and numerical comprehension, personal management skills (63 percent) and interpersonal skills (52.9 percent) were identified as insufficient in welfare-to-work participants.
Welfare-to-Work Program Characteristics

Welfare-to-work programs are designed to train welfare recipients to acquire the skills needed to obtain work. Table 5 shows the percentage of responding colleges providing various academic and work activities. Half of the respondents were providing a total of 40 hours or more in these activities to their welfare-to-work recipients. The most prevalent activity provided by colleges was job-readiness instruction. On average, welfare recipients in these colleges spent at least 7.5 hours per week in job-readiness training.

Both academic instruction and job-specific instruction were important activities in welfare-to-work programs, offered by 37 and 30 percent of the colleges respectively. Half of the respondents offering academic instruction or job-specific instruction reported that participants were involved 11 or more hours per week in these programs. While on-the-job training was offered by only 17 percent of the responding colleges, it was a major time commitment for students in those programs. Half of the colleges offering on-the-job training reported that students spent 20 hours or more in on-the-job training.

<table>
<thead>
<tr>
<th>Activity</th>
<th>% of Colleges</th>
<th>Median Hours per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-the-job training</td>
<td>17.1%</td>
<td>20</td>
</tr>
<tr>
<td>Academic instruction</td>
<td>36.7%</td>
<td>12</td>
</tr>
<tr>
<td>Job-specific instruction</td>
<td>30.4%</td>
<td>11</td>
</tr>
<tr>
<td>Job-readiness instruction</td>
<td>43.5%</td>
<td>7.5</td>
</tr>
<tr>
<td>Job-placement assistance</td>
<td>30.9%</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>10.8%</td>
<td>7</td>
</tr>
<tr>
<td>Total hours</td>
<td></td>
<td>40.5</td>
</tr>
</tbody>
</table>

Survey responses indicate that an average welfare-to-work program lasts four to eight months—well under the 12-month limit for which a vocational education program may count as an allowable work activity. In order to fit within this limited time period and to accommodate the need for welfare recipients to find work, courses at community colleges are often compressed in length and number of classes held per week. One successful strategy for community colleges is providing noncredit courses, which can be developed quickly.

The quick turnaround of noncredit courses makes them highly responsive to local labor market demands, and allows sufficient flexibility to fit the constrained time schedules of welfare recipients. According to survey responses, 56 percent of courses offered at community colleges for welfare-to-work participants are for credit, while 44 percent of such courses are noncredit.
Employers Hiring Welfare-to-Work Participants

Welfare-to-work programs at community colleges emphasize entry-level training (69.6 percent of survey responses), adult and remedial education (53.3 percent), and basic technical training (47.6 percent). Accordingly, most welfare-to-work program completers are hired into entry-level occupations—those that require only short-term or on-the-job training. Not surprisingly, entry-level occupations have the lowest weekly earnings of all the education and training groups categorized by the Bureau of Labor Statistics. The salary of workers in these occupations is nearly 30 percent below the average for all full-time workers (Department of Labor 1997).

According to community colleges, the types of occupations in which welfare-to-work participants most often find employment are service occupations. Examples of commonly reported service occupations include nursing aide, childcare worker, and janitorial or housekeeping service. Service occupation employers accounted for 41.1 percent of all employers hiring welfare-to-work participants after completion of a welfare-to-work program from a community college. A significant number of welfare-to-work participants (15.6 percent) found jobs in more technical and administrative fields such as health technician, database administrator, and office management. Table 6 and figure 1 compare the types of occupations in which welfare-to-work participants are finding employment according to occupations classified by the Bureau of Labor Statistics.

Table 6 - Comparison among Occupations for Welfare-to-Work Participants and BLS Current and Projected Occupations

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Survey Responses</th>
<th>Bureau of Labor Statistics Employment</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
<td>1996 Number</td>
<td>2006 Number</td>
</tr>
<tr>
<td>Executive, administrative, and managerial occupations</td>
<td>0.2%</td>
<td>13,542</td>
<td>15,866</td>
</tr>
<tr>
<td>Professional specialty occupations</td>
<td>11.8%</td>
<td>18,173</td>
<td>22,998</td>
</tr>
<tr>
<td>Technicians and related support occupations</td>
<td>3.8%</td>
<td>4,618</td>
<td>5,558</td>
</tr>
<tr>
<td>Marketing and sales occupations</td>
<td>7.3%</td>
<td>14,633</td>
<td>16,897</td>
</tr>
<tr>
<td>Administrative support occupations, including clerical</td>
<td>25.3%</td>
<td>24,019</td>
<td>25,825</td>
</tr>
<tr>
<td>Service occupations</td>
<td>41.1%</td>
<td>21,294</td>
<td>25,147</td>
</tr>
<tr>
<td>Agriculture, forestry, fishing, and related occupations</td>
<td>0.7%</td>
<td>3,785</td>
<td>3,823</td>
</tr>
<tr>
<td>Precision production, craft, and repair occupations</td>
<td>6.0%</td>
<td>14,446</td>
<td>15,448</td>
</tr>
<tr>
<td>Operators, fabricators, and laborers</td>
<td>3.9%</td>
<td>17,843</td>
<td>19,365</td>
</tr>
</tbody>
</table>
Figure 1 - Comparison among Welfare-to-Work Occupations and BLS Current and Projected Occupations

Impact of Outside Influences and Additional Services

Extent of Outside Influences

When asked to rank the level of influence of five factors (federal welfare policy, state welfare policy, availability of jobs, partnerships with local industry, and other service providers) on their welfare-to-work programs, responses from community colleges reflected the general devolution of welfare policy, if not its day-to-day operation. State welfare policy is reported to have the greatest influence on a community college's welfare-to-work program, followed by federal welfare policy and the availability of jobs. In 13 states, however, a majority of community colleges indicated that the availability of jobs in their community has a greater influence on their welfare-to-work program than does federal welfare policy.
Additional Services
More than half the respondents (54.5 percent) offer one-stop career services for welfare recipients. By consolidating many educational, employment, training, and social services, one-stop career centers are designed to be a single, cost-effective mechanism to link community college students, or employees, to local businesses.

One-stop centers provide additional services to community college students, but their primary focus remains joining job seekers with employers. Of the colleges that have one-stop shops, 93.7 percent offer job-placement assistance, 60.8 percent offer childcare services, and 46.6 percent provide transportation assistance for their welfare population. Figure 2 depicts the location of community colleges that have one-stop shop facilities.

Figure 2 - Responding Community Colleges with One-Stop Shops
Implications for Policymakers

Although welfare rolls are declining dramatically in many states, more people are enrolling in community college welfare-to-work programs. This suggests that the post-TANF incentives for work requirements aimed at individuals on welfare need to be coupled with additional academic preparation in order for these populations to successfully enter the job market. The high percentage of welfare recipients who lack basic skills and management skills appears to be a fundamental issue confronting policymakers. People are not likely to obtain or retain private-sector employment without these skills.

The data suggest a potential misdirection of federal policy concerning its incentives to states for the education and related services they provide to welfare beneficiaries. Only a limited number of people on welfare who are enrolled in vocational educational programs may be applied toward a state's "minimum work participation rate," which in turn enables the state to receive its full TANF block grant. Yet, the 1998 survey shows that TANF recipients tend to need adult basic education and remedial coursework more than they need vocational education.

This finding supports the assumption that TANF beneficiaries have a relatively low level of educational attainment and may not be ready for vocational education when they enroll at a community college in an effort to increase their employability. In other words, the "vocational education" work activity in the PRWORA might more appropriately be targeted at a different level of education. At community colleges, on-the-job training—anther allowable work activity—has increased significantly, apparently as a result of policy incentives for states.

Although community colleges have provided welfare recipients with a variety of education and related services, as a result of PRWORA there is no longer any specific federal program to provide these services. Some people argue for a guarantee that TANF beneficiaries have access to postsecondary education; others, favoring the flexibility given to states under the new law, cite the expanded role of community colleges in serving TANF recipients as evidence that more mandates or incentives are unnecessary.

Those interested in federal welfare policy will continue to advocate for incentives for states to provide greater postsecondary education and training to TANF beneficiaries. One such effort, the amendment sponsored by Senator Paul Wellstone (D-MN), was successfully offered to the Senate's 1998 Higher Education Act reauthorization bill. AACC will continue to support these efforts as community colleges continue to do their best to serve this needy population.
Bibliography


Suggested Readings


For further information on the Welfare-to-Work brief or related information, contact Office of Membership and Information Services

American Association of Community Colleges
One Dupont Circle, NW, Suite 410 Washington, DC 20036-1176 Phone: (202) 728-0200 Fax: (202) 833-2467 www.aacc.nche.edu

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